

 <p><b>Financial Assistance Award</b></p> <p><b>DENALI COMMISSION</b>          510 L Street, Suite 410          Anchorage, Alaska 99501          (907) 271-1414 (phone)          (907) 271-1415 (fax)          www.denali.gov</p>		<b>Award Number</b>	01231-00		
		<b>Award Title</b>	Nenana Hydrokinetic (RivGen) Power System		
		<b>Performance Period</b>	November 1, 2009 through December 31, 2011		
<b>Authority</b> 112 Stat 1854		<b>CFDA Number</b> 90.100		<b>Recipient Organization &amp; Address</b> University of Alaska Fairbanks PO BOX 757880 3295 COLLEGE ROAD 109 ASC Fairbanks, AK 99775-7880  <b>Phone:</b> (907) 474-6264 <b>Recipient DUNS #</b> 615245164 <b>TIN #</b> 926000147	
<b>Denali Commission Finance Officer Certification</b>		Jennifer Price 02/25/2010			
<b>Cost Share Distribution Table</b>					
Accounting Code	New Funding		Prior Period Funding		Total
	Denali Commission	Other Contributors	Denali Commission	Other Contributors	
95670000AL	\$830,325.00		\$0.00		\$830,325.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
	\$0.00		\$0.00		\$0.00
Ocean Renewable Power Co.		\$1,412,535.00		\$0.00	\$1,412,535.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
		\$0.00		\$0.00	\$0.00
<b>Total</b>	<b>\$830,325.00</b>	<b>\$1,412,535.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,242,860.00</b>
This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission constitutes an obligation of federal funding.					
Award Conditions to the Financial Assistance Award Between the Denali Commission and University of Alaska Fairbanks, Alaska Center for Energy and Power For Nenana Hydrokinetic, Award No. 01231					
Continued on the following pages.					
<b>Signature of Authorized Official - Denali Commission</b>  Electronically Signed			<b>Typed Name and Title</b> Joel Neimeyer Federal Co-Chair		<b>Date</b> 02/18/2010

# AWARD ATTACHMENTS

University of Alaska Fairbanks

01231-00

1. Award Conditions - Nenana Hydrokinetic

***Award Conditions to the Financial Assistance Award  
Between the Denali Commission and University of Alaska Fairbanks, Alaska  
Center for Energy and Power  
For Nenana Hydrokinetic  
Award No. 01231  
January 2010***

***1. Scope of Work***

This award provides \$830,325 to the University of Alaska Fairbanks (UAF), Alaska Center for Energy and Power (ACEP) for the Nenana Hydrokinetic project. Partners in this project include Ocean Renewable Power Company, LLC (ORPC), Alaska Hydrokinetic Energy Research Center (AHERC), and the Department of Energy's National Renewable Energy Lab (NREL). Of the Denali Commission funding, \$192,175 will be used for a debris and foundation study by UAF and \$638,150 toward equipment procurement, assembly, installation, and operation. Match funds in the amount of \$1,412,535 are provided by ORPC.

The scope of work for the project includes:

- 1) Completion of final engineering of the RivGen™ Power System -- engineering, drawings and specifications for the turbine generator unit and all other system components, foundation and debris mitigation systems designed in cooperation with AHERC, power electronics, and electronics for integration into a community diesel-powered electrical distribution system, including fuel switching;
- 2) Procurement, fabrication, assembly, and shipping (using two standard 'CONEX' shipping containers) of the RivGen™ Power System to Nenana;
- 3) Initial testing of the unit at ORPC's tidal test facility in Maine;
- 4) Completion of the Federal Energy Regulatory Commission (FERC) Pilot Project License for the project site on the Tanana River in Nenana, for which ORPC secured a FERC Preliminary Permit on October 21, 2008;
- 5) Installation of foundation at river site, interconnection to the railbelt grid through Golden Valley Electric Association (GVEA); and
- 6) Interconnection of the system with a small isolated sub-grid in Nenana that includes a 100kW diesel generator owned by the City of Nenana and electric loads within Nenana. The system will then be thoroughly tested in this isolated micro-grid configuration, again with independent verification by NREL.

The power output for the present design of the RivGen™ Power System to be used in this project is approximately 30 kilowatts (kW) in a current speed of 3 meters per second. ORPC will continue to develop improvements in turbine efficiency as part of its OCGen™ Continuous Improvement Program and projects that the performance of the RivGen™ system can ultimately be increased to 50kW or more in a current speed of 3 meters per second.

All Commission funding is intended for use for the scope of work identified in the Award document only. Any balance of funds remaining after the full scope of work has been completed will be returned to the Denali Commission.

## **2. Milestones**

The following milestones are identified as the major steps to be completed as part of the project. “Planned” dates for the first milestone are included here. As part of each progress report, recipients shall update the progress toward meeting these milestones (see section 7, Reporting).

Milestone	Planned		Actual		Units	Total Cost At Completion
	Start Date	End Date	Start Date	End Date		
In-Progress	11/01/2009	12/31/2011			0	\$0.00
Project Close-out	01/01/2012	03/31/2012			0	\$0.00

## **3. Award Performance Period**

The Award performance period is November 1, 2009 through December 31, 2011. This is the period during which Award recipients can incur obligations or costs against this Award.

## **4. Direct and Indirect Costs**

The cost principles of OMB A-21 are applicable to this Award. Indirect costs up to 5% are allowable toward this project and funded through Award #1194. Please refer to the cost principles regulations for specific details on other allowable charges under this Award.

## **5. Budget and Program Revisions**

The Administrative Circular, 2 CFR Part 215, applies to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The Administrative Circular requires that ACEP will inform the Commission in writing (e-mail, letter, or report) at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions.

## **6. Payments**

Payments under this Award will be made by electronic transfer in response to a “Request for Advance or Reimbursement”, Standard Form 270 (SF-270) submitted by ACEP. Requests for reimbursements may be made as needed. The SF-270 must be submitted to the Denali Commission via fax, e-mail ([finance@denali.gov](mailto:finance@denali.gov)) or mail in order for payment to be processed. The form is available on the OMB website: [http://www.whitehouse.gov/OMB/grants/grants\\_forms.html](http://www.whitehouse.gov/OMB/grants/grants_forms.html). Payments shall be made in accordance with 2 CFR Part 215. Please contact the Denali Commission’s Finance Specialist at (907) 271-1414 for further information about submitting this form. **No interest will be accrued on these funds.**

## **7. Reporting**

Three forms of project reporting are required under this Award, listed below. ACEP shall submit reports using the Denali Commission's on-line Project Database System, available at [www.denali.gov](http://www.denali.gov). If there are technical limitations which may prevent the recipient from meeting this requirement, please contact the Program Manager listed in this agreement.

- a. **Progress Reports** shall be submitted on a quarterly basis. The first reporting period is November 1, 2009 to March 31, 2010, and quarterly thereafter. Reports are due within 30 days of the end of the reporting period. Progress reports shall include the following:
  - i. Total project funding, including both Denali Commission funding and other project funding sources.
  - ii. The total project expenditures for the project as of the end of the reporting period, including both Denali Commission and Other funding sources.
  - iii. Updated schedule and milestone information as identified in the Scope of Work.
  - iv. Narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems.
  - v. Photographic documentation of project progress shall be provided with the progress reports for active construction projects. The photo documentation shall include a minimum of three, dated photos per reporting period such that a complete record of the construction is maintained over time, from "before," showing the situation before the start of construction, to "during" showing work proceeding on the project, and "after" to show the finished project. Photos shall be provided in a digital format as part of the on-line report. A short description of the activity and names of those in the photos shall also be provided.
- b. **Federal Single Audits** shall be submitted annually, when required. In accordance with OMB Circular A-133, which requires [subpart 200] "Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part [subpart 205]. The determination of when an award is expended should be based on when the activity related to the award occurs."

Recipients shall also submit single audits to the Federal Clearinghouse as designated by OMB. Information can be found on the following web-site:

<http://harvester.census.gov/sac/>

## **8. *Project/Award Close-Out***

The project close-out report shall be completed within 90 days of the end of the Award performance period or within 90 days of the completion of the project, whichever is earlier. Recipients must also draw down any remaining funds for expenditures incurred under this award during this 90-day period.

The project close-out report shall be submitted on-line through the Denali Commission's on-line Project Database System, available at [www.denali.gov](http://www.denali.gov). The project close out will require the recipient to submit the following information:

- a. Final data for each item listed in paragraph 7(a) "Progress Reports".
- b. Final project expenditures itemized by the following categories: planning & design; materials & equipment; freight; labor; project administration/overhead and other expenses.
- c. Acknowledgement of support: For all construction projects, the Award recipient shall display a sign that acknowledges the Government's support for the project(s) developed under this Award. The Commission will provide an appropriate sign. The Award recipient must request an indoor and/or an outdoor sign from the Commission office. Pickup or delivery of the sign can be arranged at that time. In addition, the use of the Denali Commission logo on any printed materials referencing the emerging technologies program and mention in any public presentations.

## **9. *Public Policy Laws and Assurances***

Award Recipients are required to comply with the public policy laws and assurances on or SF 424d. This form must also be signed by a certifying official of the organization. Some of the laws are highlighted below for your reference.

To the maximum extent practicable, considering applicable laws, Funding Recipients shall accomplish the project contemplated by the Award using local Alaska firms and labor.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds.

## **10. *Non-Compliance with Award Conditions***

Recipients not in compliance with the terms and conditions of this Financial Assistance Award will be notified by the Denali Commission. The Denali Commission will work with the recipient to identify the steps necessary to bring them back into compliance, and will establish an appropriate time frame for the corrections to be made. If the corrections

have not been made by the deadline, the Denali Commission reserves the right to either suspend or unilaterally terminate the Financial Assistance Award for non-performance.

***11. Program Manager, Financial Manager & Other Contact Information***

<b>Denali Commission</b>	<b>Alaska Center for Energy and Power</b>
Denali Daniels Program Manager 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-1189 Fax: 907-271-1415 E-mail: <a href="mailto:ddaniels@denali.gov">ddaniels@denali.gov</a>	Gwen Holdmann Project Manager 451 Duckering Building Fairbanks, Alaska 99775-5880 Phone: 907-590-4577 Fax: 907-474-6686 Email: <a href="mailto:gwen.holdmann@uaf.edu">gwen.holdmann@uaf.edu</a>
Betty Sorensen Grants Administrator 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-3415 Fax: 907-271-1415 E-mail: <a href="mailto:bsorensen@denali.gov">bsorensen@denali.gov</a>	Maggie Griscavage Financial Contact 3295 College Road, 109 ASC Fairbanks, AK 99775-7880 Phone: 907-474-6446 Fax: 907-474-5506 Email: <a href="mailto:gmgriscavage@alaska.edu">gmgriscavage@alaska.edu</a>

***12. Other Project Specific Paragraphs***

In addition to reporting quarterly, ACEP shall meet twice annually with the Commission to report lessons learned and project status.